

HOUSE STANDING COMMITTEE ON SENIOR HEALTH, SECURITY AND RETIREMENT

327 House Office Building

Tuesday 9:00 A.M.

February 14, 2006

Representative Vander Veen, Chair, called the meeting to order.

MEMBERS PRESENT: Representatives Vander Veen, Green, Stahl, Proos, Zelenko, Clack and Vagnozzi.

Representative Clack moved, supported by **Representative Proos**, to excuse the absent members.

There being no objection, the motion prevailed by **unanimous consent**.

MEMBERS ABSENT/EXCUSED: Representatives Van Regenmorter and Polidori.

Representative Proos moved, supported by **Representative Zelenko**, to approve the minutes of the **February 7, 2006** meeting.

There being no objection, the motion prevailed by **unanimous consent**.

The Chair laid **HB 5348** and **HB 5349** before the committee.

HB 5348 Green Insurance; health; insurance code long-term care; make Blue Cross and Blue Shield subject to.

HB 5349 Zelenko Insurance; other; long-term care; provide for general amendments.

Representative Green and **Representative Zelenko**, sponsors of **HB 5348** and **HB 5349**, explained their bills to the committee. Questions and discussion followed.

Krystal Rourke, representing the Office of Financial and Insurance Services, testified in support of **HB 5348** and **HB 5349**. Questions and discussion followed. Ms. Rourke also submitted written material.*

Frank Venuto, representing the American Council of Life Insurers, testified in support of **HB 5348** and **HB 5349** with amendments. Questions and discussion followed.

George Carr, representing the Insurance and Financial Advisors, testified indicating a neutral position on **HB 5348**. Questions and discussion followed.

The Chair proceeded with the business of the committee by introducing **Stacey Hettiger**, representing the House Republican Policy Office. Ms. Hettiger explained the changes made in the proposed substitute (**H-1**) for **HB 5349**. Ms. Hettiger also covered the proposed amendment

to the substitute **(H-1)**.

The following submitted testimony cards in **support** of **HB 5348** and **HB 5349**, but did not wish to speak.

Deborah Wood, representing the Michigan Department of Human Services

Larry Kish, representing the Life Insurance Association of Michigan

Representative Proos moved, supported by **Representative Zelenko**, to report **HB 5348** with recommendation.

The motion prevailed by a **vote of 7-0-0**.

FAVORABLE ROLL CALL:

Yeas: Representatives Vander Veen, Green, Stahl, Proos, Zelenko, Clack and Vagnozzi,

Nays: None,

Pass: None.

HB 5348 reported out with recommendation.

Andrew Farmer, representing the American Association of Retired Persons, testified in support of **HB 5349**. Questions and discussion followed.

Representative Zelenko moved, supported by **Representative Green**, to adopt the **(H-1)** substitute for **HB 5349**.

The motion prevailed by a **vote of 7-0-0**.

FAVORABLE ROLL CALL:

Yeas: Representatives Vander Veen, Green, Stahl, Proos, Zelenko, Clack and Vagnozzi,

Nays: None,

Pass: None.

Chair Vander Veen offered the following amendments to **HB 5349 (H-1)**.

1. Amend page 1, line 3, after **“COMPLETE”** by striking out the remainder of the subsection and inserting **“8 HOURS OF TRAINING IN THE 24-MONTH PERIOD PRIOR TO THE FIRST SOLICITING INDIVIDUAL CONSUMERS FOR THE SALE OF LONG-TERM CARE INSURANCE. THE TRAINING SHALL BE AS PROVIDED IN SUBSECTION (2) AND SHALL COUNT TOWARD THE TRAINING REQUIRED UNDER SECTION 1204C FOR THE FIRST RENEWAL PERIOD REQUIRED UNDER SECTION 1204C FOLLOWING THIS INITIAL TRAINING. THEREAFTER, TRAINING IN AN AMOUNT TO BE DETERMINED BY THE PRODUCER AUTHORIZED TO SOLICIT INDIVIDUAL CONSUMERS FOR THE SALE OF LONG-TERM CARE INSURANCE SHALL BE OBTAINED AS PROVIDED UNDER SUBSECTION (2) IN EACH LICENSURE RENEWAL PERIOD.”**.

2. Amend page 12, line 6, after **“MAY”** by striking out the balance of the line through

“WAYS:” on line 7 and inserting **“CHOOSE AT LEAST 1 OF THE FOLLOWING OPTIONS:”**

3. Amend page 12, following line 15, by inserting:

“(2) IN ADDITION TO THE REDUCTION OPTIONS LISTED IN SUBSECTION (1), A LONG-TERM CARE INSURER MAY OFFER ADDITIONAL REDUCTION OPTIONS THAT ARE CONSISTENT WITH THE POLICY OR CERTIFICATE DESIGN OR THE INSURER’S ADMINISTRATIVE PROCESSES.”

Representative Green moved, supported by **Representative Zelenko**, to adopt the amendments to **HB 5349 (H-1)**.

The motion prevailed by a **vote of 6-0-1**.

FAVORABLE ROLL CALL:

Yeas: Representatives Vander Veen, Green, Stahl, Proos, Zelenko and Clack,

Nays: None,

Pass: Representative Vagnozzi.

Representative Zelenko moved, supported by **Representative Stahl**, to report **HB 5349** as **substitute (H-2)** with recommendation.

The motion prevailed by a **vote of 6-0-1**.

FAVORABLE ROLL CALL:

Yeas: Representatives Vander Veen, Green, Stahl, Proos, Zelenko, Clack,

Nays: None,

Pass: Representative Vagnozzi.

HB 5349 (H-2) reported out with recommendation.

With no further business to come before the committee, **the Chair** adjourned the meeting, the time being **10:15 a.m.**

Representative Vander Veen, Chair

Dave Mead
Committee Clerk
February 14, 2006
1 hour 15 minutes

Date Approved and Signed

* indicated printed material attached to original minutes.